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Letter dated 4 March 2009 from the Permanent Representative of Finland to the United Nations addressed to the President of the Economic and Social Council

In response to Economic and Social Council resolution 2008/29, in which the Council requested the functional commissions of the Council to contribute to the annual ministerial review and to the Development Cooperation Forum, I have the honour to transmit herewith (see annex) the Chairperson's summary of the forty-seventh session of the Commission for Social Development (also set out in annex I to E/2009/26) and to request that it be made available to the United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development.

(*Signed*) Kirsti **Lintonen**
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* E/2009/100.

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Annex to the letter dated 4 March 2009 from the Permanent Representative of Finland to the United Nations addressed to the President of the Economic and Social Council

Chairperson's summary of the discussions on the priority theme and on the emerging issues: "The current global crises and their impact on social development and social integration"

1. Social integration is a process that strengthens the cohesion of societies through the inclusion of all people in society and its decision-making. Cohesion increases security in its comprehensive meaning. At the same time, inclusion of all population groups strengthens the development potential of societies.

2. Social integration is thus a prerequisite for fostering stable, safe, harmonious, peaceful and just societies so as to create an optimal basis for dynamic development and progress. Integration policies promote and protect human rights and fundamental freedoms. Social integration and the cohesion of societies can be achieved only if development is just and sustainable, economically, socially and environmentally.

The current global crises and their impact on social development and social integration

3. The global financial and economic crisis, and volatile food and energy prices, as well as climate change, pose a serious threat to hard-earned advances made in social development in recent years. They will undoubtedly have major negative implications for social development in general and societal cohesion in particular, unless the international community takes a comprehensive approach to finding a joint solution to the current crises.

4. The second half of 2008 saw the start of the worst financial crisis since the Great Depression of the 1930s. The impact of the crisis on the real economy seriously diminishes economic prospects for 2009. Despite the announcement of several large-scale stimulus plans, short-term contractions are inevitable. The confluence of crises on multiple fronts has created a global environment of diminished growth prospects with a high degree of uncertainty. It may take months or even years for economic recovery to occur. This situation threatens to reverse progress towards achieving internationally agreed development goals, such as the Millennium Development Goals.

5. Contractions in economic activities are expected to lead to significantly higher levels of unemployment and worsen labour-market conditions for workers, who were facing increasing economic insecurity even during the period of robust economic growth. Slowing or even negative economic growth with volatile commodity prices will put great downward pressure on workers' real wages.

6. Unemployment and lower wages in combination with volatile food and energy prices are adding tens of millions to the ranks of people living in poverty worldwide.

7. Increases in global food and energy prices in the first half of 2008 had led to food protests in many developing countries and caused some countries to impose export restrictions. Many poor countries are net importers of food and energy and they saw their import bills balloon in 2008. People living in poverty will suffer most from the global crises owing to high food prices, falling incomes and unemployment. The number of people suffering from hunger is increasing.

8. These crises are unfolding against the background of the longer-term predicament of climate change. Climate change and its economic, environmental and social impacts will pose an unprecedented challenge to the cohesion of societies and the stability of international relations unless mitigation and adaptation measures are implemented in an equitable manner. Climate change, manifested in increased frequency and intensity of extreme weather patterns and natural disasters, is impacting agriculture and food production and exacerbating the food crisis. It is also likely to increase the risk of outbreaks of infectious diseases, cause the emergence of new diseases resulting from ecosystem changes, and produce changes in vector-borne diseases such as malaria, thereby posing additional challenges to health systems.

9. Mitigating the impact of the crises on social development will require creating short- and long-term policies that are comprehensive and consistent, while recognizing that social, economic and environmental policies must be coordinated and must complement each other. Reducing social spending may be tempting in the short run, but the long-term implications would likely be counterproductive. Indiscriminate reductions in social spending should be avoided, as they would very probably lead to irreversible losses of human and social capital and also compromise long-term economic development.

Challenges to social integration

10. In the current phase of globalization, labour markets may create greater economic insecurity and inequity, which have a direct adverse effect on social cohesion in many societies. Unemployment, underemployment and poverty lead to social exclusion. Moreover, socio-demographic changes such as rapid urbanization, population ageing, increased migration, the HIV/AIDS epidemic and the break-up of family structures pose particular challenges to social integration.

11. Social exclusion has multiple dimensions. Economic aspects of exclusion encompass exclusion from both the labour market and the access to assets. Social and cultural aspects entail exclusion from access to basic social security and services including education, health and housing, are means of communication, and lack of access to justice. Such economic, social and cultural exclusion leads to political exclusion, whereby individuals are prevented from exercising their rights as citizens, including participation in decision-making. Besides poverty, other major causes of exclusion include income inequalities, unequal rural/urban development, unequal distribution of assets, such as land, and direct or indirect discrimination based on gender, race, disability or ethnicity.

12. Gender discrimination is one of the most prevalent and pervasive forms of institutionalized inequality. Gender, which cuts across all other social categories, is a marker of identity and the basis of inequalities between men and women in all societies. Just as gender discrimination is a grave obstacle to social integration,

advancing gender equality should be considered a key measure for achieving social integration.

13. It is necessary to take concrete steps to prevent social exclusion and combat all forms of discrimination. For instance, adequate education can empower the impoverished and other vulnerable social groups to participate in political, economic and social activities. It can expand the range of their life choices and can aid them in breaking free of the intergenerational cycle of poverty. Similarly, it is critical to improve health systems around the world, particularly those that serve infants, pregnant women, older persons and persons with disabilities. In developing countries, 9.6 million children under age 5 lose their lives every year from avoidable causes, such as infectious diseases and malnutrition. Vaccine supplies should be increased and sanitary conditions should be improved. The provision of medical care for the increasing numbers of older persons is likewise a growing concern.

Need for a comprehensive approach to social development

14. Poverty eradication, full employment and decent work and social integration are interrelated, and mutually reinforcing, and therefore an enabling environment needs to be created so that all three objectives can be pursued simultaneously. Governments must adopt social, economic and employment policies that are coordinated and mutually strengthening. Such policies must promote social justice, and economic recovery and growth, and must be economically and environmentally sustainable. Economic growth needs to be accompanied by redistributive social policies in order that the inequality gap may be closed.

Poverty eradication

15. Poverty can be both the cause and the consequence of social exclusion. Poverty reduction and the eradication of absolute poverty are core issues of social integration. Furthermore, the focus on poverty prevention should be sharpened through more equitable societal policies — policies that effectively protect the vulnerable population groups from falling into poverty.

16. As poverty has multiple and interlinked causes, there is a need for more comprehensive social policies to create coherence among targeted programmes. It is also crucial to uphold social protection and high-quality social and health services even in times of economic crisis. The social integration of people living in poverty should encompass addressing and meeting their basic human needs, including nutrition, health, water and sanitation, housing and access to education and employment, through integrated development strategies. At the same time, empowerment of people living in poverty is critical. Channels must be designed through which to involve poor and vulnerable people in the planning, design, and implementation and monitoring of poverty reduction strategies and programmes. Involvement must be promoted that respects their dignity and culture, uses their skills, knowledge and creativity, and assists them in getting organized and becoming educated about their rights. Special attention should be devoted to addressing the feminization of poverty, a factor leading to social exclusion and the intergenerational transmission of vulnerability, poverty and exclusion.

Full employment and decent work

17. Employment and decent work are key to social integration and enable individuals and families to work their way out of poverty. It is necessary for a society to support the provision of jobs and equal opportunities for all. It is equally important to ensure that the benefits of economic growth and job creation reach everyone in society. Full employment and decent work are a pathway out of poverty and create a channel towards the social inclusion of marginalized groups and will thus lead to stronger social cohesion. The right to work, rights at work, access to social protection and social dialogue are the basic elements of decent work. The promotion of enterprise and entrepreneurship is of key importance. This encourages economic growth, investment and wealth creation and is also essential for sufficient job creation.

18. Labour policies that promote social inclusion should be based on non-discriminatory practices in respect of employment and training. The inclusion in the labour markets of young people, women, indigenous peoples, migrants and persons with disabilities should be a priority. Increasing labour-market flexibility and modernizing social protection systems constitute ways to assist people in seizing opportunities as well as facing challenges created by international competition, technological advances and changing population patterns.

19. To counter the negative impact of the current global financial and economic crisis, preservation of employment and decent work opportunities should be a priority. Jobs once lost are extremely difficult to regain. Skills training appropriate to the labour market should be expanded. Combining working-time flexibility with training is one strategy for achieving skill development and labour-market consistency while retaining stable employment contracts.

Promoting social integration

20. It has to be recognized that there is no "one size fits all" solution for social integration at the national level, as most countries have developed their own policies and programmes for social integration. This multidimensional concept needs to be well understood and addressed.

Social groups

21. Since the World Summit for Social Development held in Copenhagen in 1995, international efforts to advance social integration have addressed the special needs of certain social groups, which led to the adoption of new mandates and instruments, such as the Madrid International Plan of Action on Ageing,[a] the World Programme of Action for Youth to the Year 2000 and Beyond,[b] the Convention on the Rights of Persons with Disabilities,[c] the United Nations Declaration on the Rights of Indigenous Peoples,[d] the Optional Protocol to the International Covenant

[a] *Report of the Second World Assembly on Ageing, Madrid, 8-12 April 2002* (United Nations publication, Sales No. E.02.IV.4), chap. I, resolution 1, annex.

[b] General Assembly resolution 50/81, annex.

[c] General Assembly resolution 61/106, annex I.

[d] General Assembly resolution 61/295, annex.

on Economic, Social and Cultural Rights[e] and the Beijing Declaration[f] and Platform for Action.[g]

22. These instruments have proved to be pivotal in building important foundations for minimizing exclusion, and guaranteeing the equal access to opportunities of all social groups, particularly when they are being translated into domestic laws and legislation and national policies and programmes. The emphasis on the social groups is meant to redress inequalities between and among groups and promote intergenerational perspective as well as counter such ills as racism, sexism and ageism.

23. However, addressing the special needs of social groups, while critical, is not sufficient to achieve the broad social integration paradigm endorsed by the World Summit for Social Development. Beyond helping all groups and individuals to gain access to society, social integration requires the transformation of those social norms and principles that underpin unequal relations. Moreover, it should be acknowledged that not all social groups are necessarily looking to be mainstreamed or integrated into the larger society. Rather, they do wish to be included, but in a way that enables them to maintain their ethnic and cultural identities. In this regard, respecting diversity and accommodating people with different backgrounds are key to achieving social integration.

More ambitious social development strategies

24. Advancing sustainable social integration requires comprehensive national strategies for promoting growth with equity through macroeconomic stability and sound public financial management, accompanied by fair and progressive tax systems and social protection mechanisms. The responsibility of advancing social integration does not lie solely with government, but should be shared by all sectors of the economy and society at large, including the private sector and civil society. Only through such cooperation can real progress be made towards eradicating discrimination, and injustice, while paving the way for true participation.

Social protection

25. Social protection is an investment in people and in long-term social and economic development. It makes a critical contribution with respect to meeting the development goals directed towards poverty eradication and exerting a positive impact on economic growth, social cohesion and social development. The State has the responsibility to ensure equal access to well-functioning and sustainable social protection on equal terms so as to enable people to manage the economic and social risks that they encounter. Appropriate social protection systems, including social and health services and income security, help people cope with crises and avoid irreversible losses in their productive assets and human capital, especially in a period of economic slowdown and great uncertainty. A well-functioning social protection system will enhance the opportunities of women to participate fully and equally in society, including in working life. Social protection systems are necessary for the maintenance and enhancement of social cohesion. Social protection systems

[e] General Assembly resolution 63/117, annex.

[f] *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annex I.

[g] Ibid., annex II.

must be based on the principle of universal coverage. Their design must ensure that they are adequate, adaptable, efficient, accessible and financially sustainable. There also need to be proper financial incentives in place which encourage people to actively seek employment. At the same time, support must be provided to those who are unable to work, including to older people.

26. The ongoing demographic trends and the increasingly globalized economy are presenting national economies and societies with major challenges. Social protection systems in both developed and developing countries must be based on general principles of equal rights and dignity but at the same time must be designed to meet country-specific conditions. The international community may assist States in responding to the current challenges, especially in this time of global crisis. A special effort should be made to extend social protection to all, including workers in the informal economy and in rural areas.

27. Calculations of the International Labour Organization (ILO) have shown that an essential set of social protection mechanisms, including income transfers, is affordable in practically all developing countries. Almost 30 low-income countries around the world have already realized elements of essential transfers and access to basic services. Evidence shows that social transfers also create many kinds of economically beneficial externalities. Sound financial planning, good governance and political determination are necessary in the implementation of such basic guarantees. The efforts of ILO and other entities to develop guidance with respect to the definitions and the financing and implementation patterns of essential transfers and service provision should be supported.

Family policy

28. Families are a catalyst for social integration and social cohesion. Family policies are long-term measures that promote and reinforce social integration. Child-centred and family-friendly policies, financial support, and community-based services should be designed to strengthen capabilities of families and to promote women's equal rights.

29. Efforts and initiatives should be undertaken to ensure the further promotion, actual realization and continuous implementation of the mandated objectives of the International Year of the Family, in tandem with the preparations for the upcoming twentieth anniversary of the International Year of the Family in 2014.

Volunteerism and involvement of the civil society

30. Opening up opportunities for volunteerism is increasingly being seen as a means to promoting social integration. Volunteerism has contributed to the development of social capital for social groups, including those that, traditionally, have found themselves marginalized from mainstream participation in development activities. It also enables excluded persons to enhance their participation and inclusion, enables young people to acquire skills and experience that facilitate their entry into the job market and allows older persons to continue to be actively involved in their communities and live healthier and more rewarding lives.

Media and communications

31. The power of the free media and communications technology to convey messages and information so as to increase social integration should not be underestimated. In light of recent advancements in communications technology, it is possible to target specific groups within the wider community. The media should participate in combating negative stereotyping, xenophobia and discrimination.

Commitment, policy direction and action

32. Realizing the objectives of "a society for all" requires commitment and social solidarity on the part of all members and sectors of society. There is a need for strong political leadership, transparent decision-making, social innovation and timely action.

33. However, political commitment must be translated into concrete actions in order to operationalize social integration, and to keep it high in the list of priorities, even during times of crisis. The current crises will not only pose challenges for our societies, but also provide an opportunity to underscore the importance of social integration and to focus further on advancing equal and all-inclusive social development. There is a need for action-oriented polices and programmes that produce concrete outcomes. These policies and programmes should be evidence-based, supported by policy-relevant research, and followed up with systematic evaluation of results.

34. Each country has primary responsibility for its own economic and social development. National policies and development strategies should include the promotion of social integration and cohesion. The dialogue on the feasibility of "a global social floor" should be continued and options should be further elaborated and assessed.

35. Encouraging progress is being made. For instance, the African Common Position on Social Integration, along with the Social Policy Framework for Africa and a Declaration on Social Development, was endorsed by the African Union in 2009.

36. The Council of Europe is organizing the first Council of Europe Conference of Ministers responsible for Social Cohesion in Moscow in February 2009, on the theme "Investing in social cohesion: investing in stability and the well-being of society".

37. A conducive international environment, in particular enhanced international cooperation, including fulfilment of commitments to provide internationally agreed official development assistance (0.7 per cent of gross domestic product), debt relief, market access and technical support, is crucial to the support of national efforts towards promoting social integration.

38. Cooperation and coordination at the international level are imperative for combating the effects of the global crises. Official development assistance commitments should not be neglected. Global social justice should be seen as a global public good that is beneficial to all. The international community should take a comprehensive approach to finding a solution to the crises. At the same time, there is no one-size-fits-all solution.

39. The international community and development partners, especially the institutions and donors financing development, are encouraged to increase international cooperation for development and effectively support national efforts to implement social development agendas. South-South cooperation, international cooperation in capacity development and general exchange of good practices are essential to promoting social integration. Regional cooperation in this respect is often cost-effective and results in appropriate policy models and applications.